

House Republican Press Release

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**Rep. Miller: Higher Energy Costs, Increasing Demand, Underscore  
Need for Decentralized Power Generation**



***Will Offer Legislation in 2007 to Encourage Development of  
'Distributed Generation' Systems***

Rising energy costs coupled with a steadily increasing demand for electricity in Connecticut underscore the need for the General Assembly to take decisive action during the 2007 legislative session to encourage development of alternative electricity generation systems, state Representative Lawrence G. Miller said today.

“Since the state legislature approved a law in 1998 that deregulated the electric power industry to foster competition and bring down energy costs, electricity rates in Connecticut have risen from the top ten highest in the country to the fourth highest,” said Representative Miller, R-122<sup>nd</sup> District. “At the rate we are going, Connecticut’s electricity costs could be the highest in the country by the end of the year. The state legislature needs to act decisively during the 2007 legislative session to provide incentives for businesses to install alternative power generation facilities (such as distributed generation or micro turbine systems) on or near their premises.”

Representative Miller said he will offer legislation during the 2007 session that would provide incentives to both the private and public sector to encourage the development of distributed generation and other systems that would add thousands of megawatts of electricity to the state’s power pool.

“In Connecticut, the demand for electricity is rapidly outstripping the ability of our state’s inefficient centralized power plants to deliver it to consumers – especially businesses that need reliable supplies of electricity at a price they can afford,” Representative Miller said. “The centralized power companies in our state, who are counting on a 345 kilovolt transmission line between Middletown and Norwalk that will cost around \$1 billion to provide additional electricity to Fairfield County consumers, for the most part continue to burn fossil fuels (coal, oil and gas) to generate power.”

“Unfortunately, the industry is inefficient. Their outdated transmission and generation systems waste two-thirds of the fuel they use to produce electricity, which further increases Connecticut’s high energy costs,” Representative Miller said. “Meanwhile, many countries around the world are building decentralized electricity generation facilities using technology developed by American companies like GE, Cummings Power, Detroit Diesel, Ingersoll-Rand, Caterpillar and Boeing. Decentralized energy plants provide electricity on or close to the facilities that use it – and with efficiency

ratings of 50 to 70 percent, burn less fossil fuel and generate more electricity at lower costs to their consumers than our state's outmoded centralized power plants do."

"The State of New York understands the important role small- to medium-sized decentralized power plants can play in holding down electricity costs and providing reliable supplies of power to large energy users," Representative Miller said. "New York has built distributed generation facilities that provide electricity to numerous state-owned buildings. Those facilities are generating an additional 5,000 megawatts of electricity and helping to meet the state's increased power demands."

"We should follow the example set by New York, and begin developing distributed generation facilities to provide power to the numerous large buildings owned by our state. Connecticut's power requirements amount to 7,000 megawatts during peak hours, which forces us to import power to keep our lights on. If distributed generation plants were built to provide power to large state-owned buildings in Connecticut, they would add 1,000 to 1,500 megawatts of electricity to our energy-starved state," Representative Miller said.

"If the state legislature enacts the right kinds of incentives, corporate offices as well as industrial and institutional buildings around the state would be encouraged to install distributed generation facilities on or near their premises, adding a minimum of 500 megawatts to the power pool available to Connecticut residents," Representative Miller said. "The General Assembly also should provide financial assistance to the state's six municipal electric energy cooperatives to enable these efficiently-run operations to upgrade their generation capabilities, which would enable them to increase their electricity output and provide more power to consumers."

"The state legislature also should provide funding to resource recovery facilities around the state to help defray the costs of installing new boilers at their plants. Currently they ship 400,000 tons of waste a year to adjoining states that could be burned here and used to generate more power for the people of Connecticut," Representative Miller said.